

Appl. No. 09/736,345
Amdt. Dated October 25, 2004
Reply to Office Action of September 21, 2004

REMARKS

Claims 12-55 are pending. The Applicant seeks to amend claims 39 and 53. The offered amendments are to more clearly define the claimed invention, and place the case in condition for allowance. Alternatively, the offered amendments present the rejected claims in better form for consideration on appeal. Therefore, it is appropriate that the Examiner enter all the offered amendments into this application at this time. Rule 116(a); MPEP 714.12, 714.13. Reconsideration of this application, and allowance of all pending claims is respectfully requested.

Statement of Substance of Interview

On October 13, 2004, the Examiner granted the Applicant's attorney the courtesy of a telephonic interview. The purpose of the interview was to discuss the relevant terms of art as they apply to Sampson and the claimed invention, and to note primary differences between Sampson and the claimed invention.

In particular, the Applicant noted the widely accepted definitions for the following terms of art:

An "account" is a grouping of transactions (debits and credits) that determine the net balance of the account;

A "chart of accounts" is a list of accounts;

A "trial balance" is a list of accounts with respective balances, where the balances result from the bookkeeping process of recording of transactions into accounts (a trial balance is not a financial statement);

A "financial statement item" is a group of accounts; and

A "financial statement" is one of a balance sheet, income statement, statement of retained earnings, or a cash flow statement (a similar four types of financial statements exist for "not-for-profit" organizations as well).

The Applicant then noted that Sampson discloses "a method for electronically performing bookkeeping" (Title; Abstract; col. 3., lines 27-29; col. 5, lines 9-10; all claims). In contrast, the Applicant's claimed invention is used to build financial statements. The Applicant then noted

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that preparing financial statements in accordance with the Applicant's claimed invention is a distinct and subsequent process to bookkeeping. The Applicant further explained that preparing financial statements is a much more involved task than performing bookkeeping, and is regulated task (see for example, American Institute of CPAs Manual). To help illustrate the difference between performing bookkeeping resulting in a trial balance, and using a trial balance to build a financial statement, the Applicant referred the Examiner to the Applicant's Figures 1a and 1b. Figure 1a is an example trial balance, and Figure 1b is an example of a balance sheet (which is one of the four types of financial statement). The trial balance of Figure 1a includes "accounts" 103, 104, and 105, and the balance sheet of Figure 1b includes those accounts grouped into a "financial statement item" 102. The Applicant then noted that Sampson's Figure 8 is "a sample chart of accounts and trial balances" (col. 4, line 64). This is not a financial statement. Rather, Sampson's figure 8 is equivalent to the trial balance shown in the Applicant's Figure 1a. The Applicant then noted that the "accounts receivable", "sales tax payable", and "sales" of Sampson's figure 8 are accounts, not financial statement items as suggested by the Examiner in his last office action. In support of this point, the Applicant referred the Examiner to col. 12, lines 27-43 of Sampson, where Sampson expressly refers to the "accounts receivable", "sales tax payable", and "sales" of his figure 8 as "three accounts". Sampson also expressly refers to the "Accounts Receivable" as "that account as diagrammed in FIG. 8." The Examiner noted that he would review Sampson to arrive at his own conclusion on this point.

The Examiner then noted his belief that the claim term "financial statement item", when read in its broadest scope, could simply be an account. The Applicant responded by noting the Applicant's claims recite both "accounts" and "financial statement items", and therefore under the doctrine of claim differentiation, an account cannot be the same thing as a financial statement item. The Examiner noted this was an "excellent point." Also, the Examiner further noted that the claim limitations of "grouping the financial statement items into one or more totals" may provide a better argument for the Applicant in distinguishing over Sampson.

The Examiner then requested the Applicant to file this response so that he could take more time to consider the points discussed.

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Regarding Finality of Office Action

As a preliminary matter, The Applicant respectfully requests that the Examiner reconsider the finality of his office action. The basis for the final rejection provided by the Examiner is that the "accounts receivable", "sales tax payable", and "sales" of Sampson's figure 8 are all examples of financial statement items. However, the Applicant respectfully disagrees and requests the Examiner to reconsider the three points enumerated herein, which were made of record in the Applicant's previous response.

The **first point** that the Applicant wishes the Examiner to consider, is that Sampson does not disclose or suggest the grouping of accounts into financial statement items. Rather, Sampson discloses the classifying and summarizing of "journal entries" (which are recorded transactions of an account, like entries in a check book ledger of a checking account) (col. 2, line 30). As previously explained in the Applicant's last response, the technique disclosed by Sampson only computes *individual* account balances based on the transactions of that account. In his last office action, the Examiner noted his disagreement with this point, stating that the "Accounts Receivable", "Sales Tax Payable", and "Sales" of Sampson's figure 8 are all examples of "financial statement items." However, Sampson expressly states that the "Accounts Receivable", "Sales Tax Payable", and "Sales" of his figure 8 are "three accounts." (col. 12, lines 32-33; see also lines col. 12, lines 39-43, which expressly refers to "Accounts Receivable" as an "account as diagrammed in FIG. 8"). Simply stated, no accounts discussed in Sampson are grouped into an item on a financial statement. This is because Sampson does not even show a financial statement in any of his figures. Sampson only shows journal entries, design (or intermediate) records summarizing journal entries, and trial balances, which are not financial statements.

The **second point** that the Applicant wishes the Examiner to consider, is that one skilled in the art understands the distinction between a "financial statement item" and an "account." To this end, the Examiner has indicated his belief that the claim term "financial statement item", when read in its broadest scope, could simply be an account. Assuming this would be a fair interpretation of scope for purposes of argument only, note that the Applicant's claims recite both "accounts" and "financial statement items" Thus, based on the patent rules of claim differentiation, the Applicant's claimed limitation of "accounts" has to be distinct from the also claimed limitation of "financial statement items". Sampson only discloses accounts, and not

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financial statement items, as previously explained in the Applicant's last response. Sampson only discloses "a method for...bookkeeping" which is a separate process, prior to the building of financial statements. Sampson cannot, therefore, anticipate the Applicant's claimed invention.

The **third point** the Applicant kindly requests the Examiner to consider is this: if Sampson does not disclose or suggest the grouping of accounts into financial statement items, then Sampson cannot disclose or suggest grouping financial statement items into "totals." For the sake of argument only, even if Sampson was understood to include grouping of accounts into financial statement items, Sampson would still have to further disclose the grouping of financial statement items into totals in order to anticipate the claimed invention. The Applicant can find no occurrence in Sampson of such grouping. During the telephonic interview, the Examiner noted that this argument might be effective for the Applicant. To that end, the Applicant wishes to note that this argument was previously made in the Applicant's last response (see, for example, page 15, second full paragraph of response filed on July 16, 2004). The Applicant reaffirms his position that Sampson does not only fail to compute financial statement items based on account balances, but also fails to compute totals of financial statement items. Sampson only shows journal entries, design (or intermediate) records summarizing journal entries, and trial balances, which are not financial statements.

MPEP § 706.07 states that the "applicant who is seeking to define his or her invention in claims that will give him or her the patent protection to which he or she is justly entitled should receive the cooperation of the examiner to that end, and not be prematurely cut off in the prosecution of his or her application." In the spirit reflected here, and in Rule 116(a) and MPEP §§ 714.12, 714.13, and particularly in light of the fact that the claimed subject matter can be difficult to properly comprehend, the Applicant kindly requests the Examiner to withdraw finality, and fully consider this response.

The Examiner has maintained his rejection of claims 12-55 under 35 U.S.C. § 102(b) as being anticipated by Sampson (U.S. Patent No. 5,390,113).

As previously explained in the Applicant's last response, as well as herein and during the telephonic interview, Sampson cannot anticipate the Applicant's claimed invention. This is

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because Sampson does not disclose or otherwise suggest each and every limitation recited in the Applicants claims.

The Applicant's independent **claims 12, 39, 52, and 53** each define, in part, a method or computer program product for use in *building financial statements* based on *trial balance data*, comprising: "receiving ... *trial balance data* having a number of accounts and respective balances; *grouping the accounts into one or more financial statement items ...*." The Applicant's independent **claims 40, 48, 54, and 55** each define, in part, a method or computer program product for use in *building financial statements* based on *trial balance data*, comprising: ... dynamically allocating memory spaces for a trial balance data structure for storing accounts of the accounting data, and linking elements of the trial balance data structure with a doubly linked list of pointers "*thereby allowing sub-lists to group the accounts into financial statement items ...*."

As previously explained, a review of Sampson will show no disclosure or discussion on how to build financial statements. Indeed, there are no financial statements shown in Sampson. Rather, Sampson is limited to bookkeeping, which is a process that produces trial balances and occurs separately from and prior to the process of building of financial statements. In addition, the Applicant has previously explained that Sampson not only fails to group accounts into financial statement items as recited in each of the Applicant's independent claims, but also fails to group financial statement items into totals as recited in each of the Applicant's independent claims. The Examiner noted during the telephonic interview with the Applicant's attorney that this distinction of grouping financial statement items into totals (above and beyond grouping accounts into financial statement items) may provide an argument that is favorable to the Applicant. The Applicant therefore respectfully requests the Examiner to fully consider this argument.

In contrast to the claimed invention, Sampson merely discloses a technique for electronically performing bookkeeping upon a plurality of accounting journal entries (Abstract; col. 3, lines 30-32; all of Sampson's claims). In particular, Sampson discloses the classifying and summarizing of journal entries, where the disclosed technique only computes *individual* account balances. No accounts, however, are grouped into financial statement items. It follows then, that no financial statement items can be grouped into totals, because Sampson doesn't disclose

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financial statement items. The arguments previously made of record on these points are equally applicable here.

In addition, it further follows that other claims of the Applicant (such as dependent claims 13-19, 25-30, and 42), which further define the grouping of accounts into financial statement items and/or the use thereof, cannot be disclosed by Sampson either. For instance, and as previously explained in the Applicant's last response, dependent claim 13 further defines the method for building financial statements to further include "providing a first level of detail for a user selected financial statement item, the first level of detail including any accounts and respective account balances grouped into that financial statement item." Dependent claims 15 and 17 further define second and third levels of details, respectively, for user selected accounts included in the selected financial statement item (claim 15), and user selected transactions included in the selected account (claim 17). Dependent claim 18 further defines each financial statement item as being "assigned an accounting direction ...", and dependent claim 19 further defines the assigned accounting direction as being "based on a direction associated with a first grouped account of the financial statement item." (Note the distinction between financial statement items and the accounts grouped therein). Sampson does not enable the provisioning of such various detailed levels, starting with a user selected financial statement item (first level), to a user selected account within that financial statement item (second level), to a user selected transaction within that account (third level).

Summary

In light of these arguments previously made of record, and further discussed herein and during the telephonic interview, the Applicant respectfully requests the Examiner to reconsider and withdraw this rejection, particularly in light of:

1) Sampson's express language as to the "Accounts Receivable", "Sales Tax Payable", and "Sales" of his figure 8 being "three accounts", and not financial statement items as that term is known in the art (col. 4, line 64; col.12, line 32 and line 42) (see also figure 9; col. 4, line 68; col. 12, lines 12-15) (see also figure 10; col. 5, lines 1-3 and lines 12-16) (see also col. 11, lines 24-28; col. 14, lines 48-50; step 44 of figure 6).

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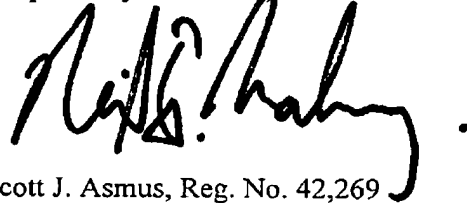
2) The patent rules of claim differentiation require the Applicant's claimed limitation of "accounts" to be distinct from the also claimed limitation of "financial statement items"; and

3) The Examiner's indication that the grouping financial statement items into totals (based on financial statement item balances), as recited in the Applicant's independent claims, may provide a favorable argument to the Applicant's position.

4) Sampson does not enable the provisioning of detailed levels, starting at the financial statement item level, and then to the account level, and then to the transaction level, as recited in the Applicant's claims (e.g., claims 13-19; 25-30; 39-51).

The Applicant believes the above amendments and remarks to be fully responsive, thereby placing this application in condition for allowance. Favorable action is solicited. The Examiner is kindly invited to contact the undersigned attorney by telephone, facsimile, or email for quickest resolution, if there are any remaining issues.

Respectfully submitted,



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